



Scott B. Spencer  
Attorney-at-Law

▶ June 14, 2002

Matthew Cohn  
United States Environmental Protection Agency  
999 18th Street - Suite 300  
Denver, CO 80202-2466

Re: *Former W.R. Grace Export Plant*

Dear Mr. Cohn:

I am writing concerning the final settlement of the cleanup being conducted of the W.R. Grace export plant on property now owned by the City of Libby. I was in contact with you approximately one year ago concerning the status of the cleanup of this property. I have not heard from anyone for some time, except that approximately two months ago I had a conversation with Paul Peronard concerning the status of this matter. I would like to work to get final resolution of this matter.

It is my understanding that a number of issues need to be resolved in this case, including the final settlement of the clean up process and a resolution of the liability of the various parties for that cost. I note that there were discussions about what W.R. Grace would do to restore this property and to clean the property. It is my understanding that the buildings have been removed, with the exception of one building which is being maintained while the tenant of that building is relocated. That building will be dismantled sometime in the near future.

It is further my understanding that W.R. Grace is paying for the cost of installing a large water main under the railroad tracks and to the property location. At one point there were discussions as to whether or not the property would be landscaped, and possibly a sprinkler system installed by W.R. Grace, as part of the cost of remediation. I note that the City has lost possession of a number of buildings by the demolition, and is going to loose revenues from its tenants as a result of the asbestos contamination.

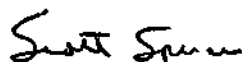
It is difficult for me to understand at this point exactly what the status of the settlement is. I also understand that there has to be decisions made as to whether the EPA is going to seek any of the cleanup costs from the City of Libby, or whether W.R. Grace and the City can resolve its matters for the costs of the cleanup with the EPA, and so forth. I would appreciate being able to get a dialog going with you to determine what final steps need to be done to finalize the cleanup of this site. I would hope that W.R. Grace is also wanting to get this matter resolved.

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I am more than willing to meet with any of the parties to put this matter to rest. I realize that there have been a lot of charges and counter charges over the years over the years of the settlement of this matter, but at this point the City of Libby simply wants to resolve this issue and move on to other matters.

I look forward to hearing from you.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Scott Spencer".

Scott B. Spencer  
Attorney for the City of Libby

SBS/srr